

feed her and change the bed. During these two hours a day, Stewart is able to run errands, go to the grocery store, and attend a support group. The long term care services Louise receives at home costs \$9,224 a year. Without these services, Stewart would have no other option than to place Louise in a nursing home. He says "I feel secure knowing Louise is getting the best of care." Several weeks ago, Stewart spilled hot grease on his right hand. He did not request additional services because he doesn't want to use any more than he absolutely needs.

Mary, Rogue River, OR.

A woman receives long term care at home and doesn't need to be institutionalized.—Mary is living at home with her husband and is able to visit with her grandchildren and friends on a regular basis in spite of physical problems which would have otherwise confined her to a nursing facility years ago. For four decades Mary has suffered from severe arthritis and several years ago her activities were curtailed even further because she had a stroke. Her health problems also include diabetes, edema, and depression. Mary needs assistance with bathing, transferring, mobility, meal preparation, medication management, and transportation. Until recently, her husband provided all this care that she needs. Three years ago, because he found it difficult to keep up with the physical demands of providing care as he got older, Mary's husband enlisted the help of a in-home aide for 26 hours per month. The aid helps with bathing, medication management and meals. The state pays \$144.56 per month for this home-based long term care. The family's only source of income is Social Security. Medicaid pays for all Mary's medications. Without Medicaid supplementing her husband's care, Mary would need to be in a nursing home.

Jonathan, Debra and Doug, Lakeview, IA.

Medicaid allows a family to keep their child with special needs at home.—Twelve year old Jonathan attends fifth grade in a public school hopes to join a junior bowling league next year. But Jonathan has severe cerebral palsy and developmental disabilities. Jonathan began receiving Medicaid at the age of two because of his severe disabilities. He has undergone four surgeries and hundreds of medical appointments. His disability will require ongoing medical treatment and the use of customized durable medical equipment and assistive technology. Medicaid pays for his electric wheelchair so he can go to school and get around. Jonathan's family provides the care he needs with the help of Medicaid which provides thirty hours a month of supported community living. These hours help Jon become more independent in the community by helping him with mobility, money management and other skills. "It's far cheaper to raise a child with a disability in their home than it is to institutionalize a child. Plus it just is better for families and better for communities," says his mother Debra. "I think my biggest fear is that they'll cut back on services or tighten guidelines on how much they'll pay on a piece of equipment."

Dana, Chicago Heights, IL.

Medicaid helps a woman care for her sister who has mental retardation.—Dana and her sister have lived together for the last 30 years. Dana has partial paralysis on her left side and mental retardation; she requires assistance with personal care, housekeeping, laundry, shopping, errands, and meal preparation. Dana's sister, along with her nephew, and in partnership with Medicaid, has provided that care for the last thirty years, keeping Dana out of an institution. Her sister is limited in her ability to care for Dana due to health problems of her own. Dana's income is about \$275 a month from Social Se-

curity, and another \$145 a month from SSI. At the same time, she pays about \$50 for her medications. Dana, Dana's sister, and even Dana's nephew have all pitched in to try and make things work. But without Medicaid, Dana would be forced into an institution—and Dana's sister would face the difficult task of placing her in that institution.

Fredda, Salt Lake City, UT.

A blind woman struggles to remain in the community.—Fredda is a 68 year old woman who has diabetes. She is legally blind, hypertensive, has chronic heart failure and joint disease—and is firmly determined to maintain her independence. An educated woman, books have long been an important part of her life, and the loss of her ability to read was traumatic. In response, Fredda soon became connected to the library system's book-on-tape program. But as much as Fredda values her independence and her ability to live on her own, she could not make it without Medicaid. Her income is a mere \$500 a month, and conditions make it impossible to make it alone. Medicaid helps her pay for prescriptions and also provides needed services. An aide helps her with her bathing, housekeeping, and runs basic errands for her. Fredda lives alone and thrives on her independence. Medicaid helps make that happen.

Betty and Howard, Paducah, KY.

Medicaid helps a wife keep her husband at home.—Betty and Howard married 35 years ago. Betty was in the WAVES in World War II, then came back to a job in their County Court House, from which she is now retired. Howard started as a farmer, sold cars, and finally worked as a guard for a private security force. Neither of them ever had high paying jobs, but they paid off their mortgage and saved what they could for their retirement. Now, at the age of 71, Betty provides round-the-clock care for Howard, age 79, who has Parkinson's and Alzheimer's disease, diabetes, and congestive heart failure. They live on their combined retirement income of less than \$1,000 a month. After spending down their savings to spousal impoverishment levels, Howard now qualifies for Medicaid waiver services. That gives them about \$150 worth of help a week—Howard goes to a day care center for 4 hours two days a week, and Betty gets help with him at home for another 6-8 hours a week. This is the only time she has for uninterrupted sleep, to shop for groceries and Howard's diapers and medications, or to take care of herself. Betty and Howard do not have children. Their three siblings are all in their 70's and 80's and have their own health problems. With help from Medicaid, Betty is managing enough time to keep herself reasonably healthy and to keep Howard at home. Without these services, Betty says, both she and Howard would quickly end up in a nursing home (with no money to pay the bill).

The PRESIDING OFFICER (Mr. COCHRAN). The time of the Senator from Florida has expired. Can the Senator suggest the absence of a quorum?

Mr. GRAHAM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FAIRCLOTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JAPANESE BANKS

Mr. FAIRCLOTH. Mr. President, yesterday, it was announced that a Japa-

nese bank, Daiwa, will be closed in the United States and charged with fraud and conspiracy for hiding over \$1 billion in losses.

The Federal Reserve has done the right thing on this issue—closing down a fraudulent bank. But of greater concern, however, is that the Federal Reserve has announced it will bail out Japanese banks in the United States should they suffer a short-term money crisis. The plan was put into place and finalized in September, but only recently was it announced to the public.

Mr. President, I think it is very important that the United States not become the lender of last resort for every country in the world, and we are rapidly moving ourselves in that direction. First, it was Mexico, and now it is Japan. Who is next around the world? Once you open this door, it is going to be extremely difficult to close. And we are opening it.

Further, if we cannot get our own budget affairs in order and our deficit under control, who will bail us out? Particularly with this President, we are getting very little cooperation from the White House in our efforts to get the budget in balance in a timely fashion.

Mr. President, everyone is well aware that Japanese banks are having extreme financial problems. News accounts indicate that Japan's 21 largest banks have \$136 billion in nonperforming loans. Some have even estimated, and probably more correctly, that this figure could be as high as \$400 to \$600 billion in bad loans.

This is why I was concerned and dismayed that the Federal Reserve has under consideration a plan to meet the short-term credit needs of Japanese banks here in this country with the amount of problems they have in Japan.

The Fed has assured us any loans to the Japanese banks will be fully securitized with U.S. Treasury securities. But this totally misses the point and is beside the point. The principle should never be established that the United States is responsible for meeting the credit needs of foreign banks. This is a responsibility of the Japanese Minister of Finance. I repeat, we should never get in the position and start the precedent of bailing out banks around the country.

I might add that the Japanese Minister of Finance was aware of the Daiwa scandal for 6 weeks before it informed our own Federal Reserve Board. This is their financial problem, not our financial problem. I do not seem to recall any offer from the Japanese to help rescue our savings and loans.

Domestic bailouts are bad enough. It is bad enough that the U.S. taxpayers had to put up, pay for \$100 billion to correct the savings and loan crisis. It was bad enough when our own banks were in trouble and the U.S. Treasury had to increase the FDIC's line of credit from \$5 billion to \$30 billion to support the banking industry.

Now, in a new twist, we have embarked on international rescues. What would compel anyone in this Government to think it is the role of the United States to rescue overseas banks?

This year we loaned \$12.5 billion to Mexico. The money came from the Exchange Stabilization Fund, a fund used to help maintain the value of U.S. currency. A good part of that fund has been used in Mexico.

The United States taxpayers may have to and probably will have to replenish this fund if Mexico does not pay its loan back. We have had the first indication that they will not pay or will be slow paying because they have had to roll over one loan four times already.

The President did all this on his own. The President did all this without congressional approval. Now comes this new plan without any congressional approval input in any way to rescue Japanese banks.

Mr. President, this whole policy needs to be examined by the Congress. We have to make clear that we are not the world's banker. We have to make it clear to the world that we are not the lender of last resort. We cannot be the lender of last resort.

I strongly urge the Federal Reserve to cancel any plan it has to engage in this bailout.

Financial bailouts with tax dollars have to stop, and it is the responsibility of the Congress to stop it. Moreover, I cannot think of a less worthy use of tax dollars than bailing out foreign banks, particularly Japanese banks, when Japan has a positive trade balance of over \$100 billion.

Mr. President, since 1980 we have spent \$4 trillion we did not have. We have borrowed and borrowed. Soon, we will raise the limit to \$5 trillion. We cannot afford to continue spending this way. This is the first place I think we should stop it—in bailing out foreign banks.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CAMPAIGN FINANCE REFORM

Mr. KERREY. Mr. President, yesterday's long-awaited testimony by Speaker NEWT GINGRICH on the subject of campaign finance reform was, to say the least, disappointing for me. I hope it does not represent a roadblock in the path of needed legislation to reform our campaign finance system in a fashion that does give citizens the sense that they have more power or control over the political process than they currently do.

It seems to me, the top of the list of items I would put on an agenda of

things needed to be done in order to restore people's confidence in democracy would be to change our laws that govern campaigns for election either to the U.S. Senate or to the U.S. House of Representatives.

We had legislation. I actually did not support the legislation last year because I thought it created a new, publicly funded entitlement, and I did not like that. We had legislation last year that came close. The now-majority leader has indicated he believes it is a top priority. A lot of us talk about campaign finance reform. We always get right to the end and we say, "Yes, I am for campaign finance reform, but there is something about this proposal I do not like," and there is always a good excuse not to do it.

The decision I made earlier this week was, in part, a response to that. I am the chairman of the Democratic Senatorial Campaign Committee, a legal organization—there is a Republican counterpart as well—that is designed to go out and find candidates and support candidates for office. It is a later subject, as to whether or not those committees themselves ought to be part of campaign finance reform. I certainly would like to see them as part of it. There is something unsavory about going out and campaigning against people you are working with all the time. But, as I said, I will leave that for a later discussion.

I, this week, endorsed and became a cosponsor of a piece of legislation that has been developed by Senator MCCAIN of Arizona and Senator FEINGOLD of Wisconsin, as well as Senator THOMPSON of Tennessee, Senator SIMPSON of Wyoming, and a number of others. It has a bipartisan group of people in the House of Representatives who are supporting it as well. Not just to say I support this legislation. There are changes I want to make in the legislation, particularly as it relates to smaller States such as mine, that I think might not be positively affected by this. What it represents is an effort to say to Republicans: Look, on this issue we have to, at some level, set down our political party concerns and embrace legislative change that will, perhaps, increase the risk to us as incumbents. It seems to me at the end of the day that becomes one of the most important risks that personally one factors in, when thinking about whether or not to support a particular piece of legislation.

I feel strongly we cannot continue to give the American people an excuse as to why we cannot do it. It seems to me that is what we always do. We say, "I am for campaign finance reform, but * * *." That is what I did last year. I do not want to do it this year. I want to be able to stand here as a Democrat with Senator MCCAIN, a Republican, Senator THOMPSON, a Republican, Senator SIMPSON, a Republican, and vote for final passage of legislation that has an opportunity of being conferenced with the House bill, if not in this calendar year certainly in this session of

this Congress. I find, in the Speaker's recommendation, some things I simply cannot support. He is recommending a 16-member commission on power and political reform in the information age.

It goes on. There is an article here I am holding that says, in typical expansive, characteristically expansive fashion, he urges all of us, if we really want to understand campaign finance reform and get to the heart of the matter, he urges all of us "to study ancient Greece and Rome, pre-Civil War United States and the words of Thomas Jefferson, James Madison, Abraham Lincoln, Theodore Roosevelt, Woodrow Wilson, and Henry Cabot Lodge."

Mr. President, I have read most of those. I have been educated far more on these matters listening to the distinguished Senator from West Virginia, I must point out, than almost any other speaker on this floor. We have, it seems to me, not a shortage of historical information. What we have is a shortage of will to vote for something that might put our own political careers at risk.

I would object personally to being told that what I have to do is what the Speaker is recommending—that we are going to have a 16-member commission. They are going to decide. If two-thirds of them vote for a specific proposal, then we have to vote for it up or down. That is a recipe, it seems to me, that on the one hand we are saying we are not going to get involved—Senator MCCAIN, Senator FEINGOLD, Senator THOMPSON, Senator SIMPSON, myself, and Senator DODD, and many others of us are saying it is time for us to enact legislation that we can reach agreement on. I reject that premise on the one hand. On the other hand, what it calls for is another delay. This commission is supposed to make its report on the 1st of May of next year. That will, in my judgment, likely cause us to not be able to enact legislation.

Second, I must say with respect to the Speaker's proposal that he has broadened this thing to a point where it is almost a self-defeating mission. By broadening it, I mean he wants to include not just campaign finance reform but the power of private sector individuals in the information age. Specifically, he references in here and compares in here, a multi-millionaire broadcaster on ABC News being given tremendous access to the American people. That individual does not represent political power; whereas, the thousand-dollar contribution being written by the broadcaster's spouse does. Then he says—and I must say, in his typically characteristic way, only the Speaker seems to be able to come up with these sorts of phrases—"This is simply a nonsensical, socialist analysis based on hatred of the free enterprise system."